

JOHN W. FLITTER DIRECTOR ELECTRIC & GAS REGULATION

November 30, 2010

VIA ELECTRONIC-DELIVERY

The Honorable Jocelyn G. Boyd Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive Columbia, South Carolina 29210

Re: South Carolina Electric & Gas Company

Notification of Proposed Subdivision and Request for Waiver of Bid Requirement to Transfer Real Property Between South Carolina Electric & Gas Company and Okeetee Club, Inc.

Docket No. 2010-372-E

Dear Ms. Boyd:

The purpose of this letter is to inform the Public Service Commission ("Commission") that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and based on this review and the following information we have no objection to South Carolina Electric & Gas Company's ("SCE&G" or "the Company") request for authorization to exchange the SCE&G Transfer Parcel for the Okeetee Transfer Parcel both of which are located in Jasper County without engaging in the competitive bidding process as required in Order No. 92-931.

The request states that the Company will seek to include the acquired Okeetee Transfer Parcel, which will be classified as utility property, in its rate base at a future time. This Parcel will continue to serve as a natural buffer for the Jasper plant. No costs associated with this Parcel will be considered or included in rates or rate calculations until the Company requests inclusion in its next general rate case proceeding.

In addition, ORS inquired into the details of the aerial photograph included in the Company's request as Exhibit 1 and provides further clarification for the Commissions consideration. ORS Attachment 1 is a not-to-scale depiction of the Company's aerial photograph with highlighted Areas A and B. Area A appears to show converging boundary lines between the Laydown Area and the Jasper Generating Station when the boundary lines should be parallel and separated by Purrysburg Road. Area B is a

(Continued...)

portion of the original Laydown Area property that was provided to the town of Hardeeville and contains the Town's EMS/Fire Station facilities.

Thank you for the opportunity to provide our comments in this matter.

Sincerely,

John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS

John W. Flitter /81

Nanette S. Edwards, Chief Counsel, SC ORS

Jeffrey M. Nelson, Esquire, SC ORS

K. Chad Burgess, Associate General Counsel, SCANA

Dr. James Spearman, Executive Assistant, SC PSC

